

HEALTH CARE FOR HOOSIERS **Indiana Checkup Plan**

As a practicing nurse at Bloomington Hospital, I see first-hand how important preventive and acute health care are to the quality of life of our citizens. As a legislator, I know that preventive and timely acute health care eventually save tax dollars. That is why I was supportive of the cooperative plan between the Governor and the Legislature to begin providing access to health care to some of our hard-working, but low-income Hoosier families. We believe that the Indiana Checkup Plan will help at

least 350,000 Hoosiers, though I am disappointed that it still leaves thousands of Hoosiers uninsured or underinsured.

To be eligible to participate, a person must be: a U.S. citizen; an Indiana resident for 18 months;

uninsured for 6 months; and not eligible for employer-sponsored health insurance. If an individual has access to employer-sponsored health insurance, but would qualify for the Checkup Plan, the state may develop a premium assistance program.

Through the use of a POWER account (which is similar to a Health Savings Account) thousands of Hoosiers will have access to funds to pay for medical costs. These same Hoosiers will have access to preventive services, such as medical screenings. Mental health and substance abuse coverage is also provided.



Rep. Peggy Welch talks with one of her patients at Bloomington Hospital.

The law, which established the Indiana Checkup Plan, also provides for tax credits for small businesses that begin offering health insurance and wellness programs and allows for the development of a program for small businesses to join together to purchase group health insurance.

The Indiana Checkup Plan is paid for with an increase in the cigarette tax. As a cancer nurse, my main motivation in supporting this increase was to decrease the number of Hoosiers who start smoking—that is, our youth. It is predicted that this tax increase will prevent 40,000 Hoosier youth from starting to smoke. The funds from the increase will also be used to fund more immunizations for our children. Please visit my website, www.in.gov/H60, for further information.



State Representative

Peggy Welch

Dear District 60 Citizen:

As you know, your Indiana General Assembly completed its work on April 29. Of the 1,451 House and Senate bills and resolutions introduced, 238 ended up on the Governor's desk for his consideration. Regrettably, he chose to veto four of these measures.

Each legislative session is different for me—different issues, different personalities, different leadership dynamics. This session the House and Senate were controlled by different parties. I believe that we accomplished a great deal as each chamber and the Governor had to give a little to get a little—all for the purpose of doing the people's business.

However, some issues remain priorities for you and us—education, property taxes and health care. Inside is general information on each of these matters and how we attempted to address each one.

Though I love serving you in Indianapolis, it is always great to be back home and back to work at my real job. My work as a Bloomington Hospital cancer nurse keeps me grounded as to what is really important to us as individuals and families.

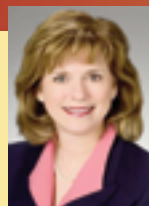
The summer is flying by with parades, festivals and fairs. Please stop me at these events to share with me your thoughts on issues or to let me know how I could help you with a state agency. You can also contact me by phone or email. Please see the back page for that contact information.

It is my hope that you have a fun and safe summer!

Peggy Welch

2007 Session Report

Helping Hoosier Families



**Representative
Peggy Welch**

Contact Rep. Welch:

Phone: 800-382-9842

E-mail: H60@in.gov

Website: www.in.gov/H60

Representative Peggy Welch
Indiana House of Representatives
200 W. Washington St.
Indianapolis, IN 46204

Pret Std
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Representatives

State Representative Peggy Welch

Bipartisan Budget Helps Hoosier Families

House and Senate legislators worked together to produce a balanced, bipartisan two-year state budget that provides increased funding for our schools and health care services, while providing \$550 million in property tax relief.

The new budget, which became effective on July 1, gives close to a 4 percent average increase in state support for our public schools and a 4.5 percent increase for our state-funded colleges and universities. This budget partially funds a new Life Sciences initiative at Indiana University and allows for Ivy Tech Bloomington to pay for the architectural and engineering studies for a desperately needed new classroom building.



Rep. Peggy Welch reviews legislation in the House Chamber with Rep. Eric Koch (R-Bedford).

Property tax payers will receive some relief in 2007 and 2008. \$300 million, in the form of a refund, will be provided in the first year and \$250 million in the second year. We also paid back to our higher education institutions and local units of government money owed to them due to delayed payments. One of my biggest disappointments of the session was the deletion of my language from the budget which would have provided for an eventual restructuring of our total tax system. It appears that I am having a difficult time of convincing House and Senate leaders that such restructuring could potentially decrease our dependence on property taxes. But, I won't quit making every attempt to move this idea forward!

This budget contains additional funding for health care for Hoosiers with lower incomes, our CHOICE home-health care program, and our community health centers. It funds additional caseworkers for child services and designates more than \$1 billion for major highway construction projects.

We did this and more while ensuring that the state does not spend more than its income—your tax dollars. We believe that this balanced budget will prove to be responsible and compassionate.

For details on the budget, you can go to my website at www.in.gov/H60.

Schools Benefit from State Budget

Indiana's schoolchildren are big winners with the new state budget. One of my main goals during the 2007 session was to restore funding to our schools that suffered state funding cuts in the 2005 budget. I am pleased that the House and Senate members were able to work to boost funding for K-12 educa-



tion by almost four percent for each of the two years of the budget.

In addition to the significant school funding formula increases, the new budget makes available additional funds for grants for school corporations choosing to provide voluntary full-day kindergarten. The eventual goal is to provide voluntary full-day kindergarten for all Hoosier schools, because we recognize the importance of this critical early education program.

New legislation will help military personnel

I joined my fellow legislators in placing a priority on legislation that benefits our Hoosiers who are serving or have served in the military.

Some of the highlights include:

- Exemption of all military pay earned while serving in combat theater from Indiana state income tax;
- Increase in the maximum allowable state income tax deductions on military pay (including retirement pay and survivor's benefits) from \$2,000 to \$5,000 per year;
- Allowance of in-state tuition rates for out-of-state soldiers assigned to Indiana;
- Establishment of a spouse employment program;
- Reformation of the scholarship program for National Guard members whose education was interrupted due to a call to active duty;
- Protection of the privacy of Hoosier veterans by limiting access to military discharge records;
- Extension of the delayed high school diploma program to Korean and Vietnam veterans;
- Increase of the assessed value of the real property owned by designated veterans for tax deduction; and
- Provision of funds for the Indiana Military Families Relief Fund. Go to www.in.gov/veteran/mfrf.html to get information on how to apply for these funds and help us spread the word about this program.



Rep. Welch Supports Property Tax Relief

Property taxes were of concern to every legislator because of the anticipated 24 percent average state-wide increase. This extraordinary increase is because of several reasons: the 2005-2007 budget (which I opposed) pushed more of a financial burden down on schools and local units of government and raised local property taxes by several millions of dollars; the abolition of the inventory tax; and implementation of "trend-ing," which will eventually provide for reasonable and predictable annual increases in one's property taxes. We knew that we had to address this increase.

The new budget provides \$550 million in property tax relief for bills payable in 2007 and 2008. Homeowners will receive this relief in 2007 in the form of a rebate; relief in 2008 will be applied directly to the tax bill.

In addition to the tax relief provided for in the budget, we passed legislation that may provide property tax relief through restructuring. Local officials are given flexibility to both cut property taxes and fund critical public safety services, like police and fire protection, through the use of increased local income taxes. This new law also provides for the creation of county boards to oversee proposed school and local government construction projects, with the intended purpose of prioritizing and controlling capital projects, which can dramatically increase property taxes. For more detailed information on property taxes, please visit my website at www.in.gov/H60.



Rep. Peggy Welch debates property tax relief for Hoosiers.

A Guide to the Property Tax Rebate



Why a Rebate Check?

The state will not collect the money earmarked for increased 2007 Homestead Credits until November, so a rebate is the best way to provide homeowners this tax relief.

Will I Receive a Rebate?

All homeowners will automatically receive one unless they are delinquent on taxes.

When Will I Receive the Rebate?

All eligible taxpayers should receive a check in late 2007 or early 2008. Some homeowners who pay their property taxes through escrow may have their rebate sent directly to their escrow agent or lender.

Who Will Issue the Rebate?

The state will transfer the funds for the rebate to your county government, and county officials will calculate your rebate and mail a check.